Form (2)

Sr. No. 9547

Dated 23.8.2013

THE REPUBLIC OF THE UNION OF MYANMAR

The Myanmar Investment Commission

PERMIT

Permit No. 604/2013 Date 23 Augustent 2013

The Myanmar Investment Commission issues this Permit under section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/Promoter MR. NG HUNG YAU

(b) Citizenship CHINESE

(c) Address FLAT (A-B), (22/F), FORD GLORY PLAZA, 37 WING HONG STREET, CHEUNG SHA WAN, KOWLOON, HONG KONG

(d) Name and Address of principal Organization -

(e) Place of incorporation -

(f) Type of business in which investment is to be made MANUFACTURING OF GARMENTS ON CMP BASIS

(g) Place(s) at which investment is permitted NO.(35/9), YANGON-MANDALAY ROAD, INNDAKAW VILLAGE, BAGO TOWNSHIP, BAGO REGION

(h) Amount of foreign capital US$ 5.189 MILLION

(I) Period for bringing in foreign capital WITHIN ONE YEAR FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US$ 5.189 MILLION

(k) Construction period 12 MONTHS

(l) Permitted duration of investment 30 YEARS

(m) Form of investment WHOLLY FOREIGN OWNED INVESTMENT

(n) Name of the economic organization to be formed in Myanmar HUNG KIU (MYANMAR) GARMENT MANUFACTURING LTD.

Win Shein

Chairman

The Myanmar Investment Commission

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်
ခွင့်ပြုမိန့်

ပြည်ထောင်စုသမ္မတ
စာအမှတ် ၉၅၄၇
ရက်စွဲ ၂၃-၈-၂၀၁၃
မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

ခွင့်ပြုမိန့်အမှတ် ၆၀၄/၂၀၁၃

၂၀၁၃ ခုနှစ် ဩဂုတ်လ ... ရက်

ပြည်ထောင်စုသမ္မတ မြန်မာနိုင်ငံတော်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ- ၁၃၊ ပုဒ်မခွဲ(ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ကမကထပြုသူ၏အမည် MR. NG HUNG YAU

(ခ) နိုင်ငံသား CHINESE

(ဂ) နေရပ်လိပ်စာ FLAT (A-B), (22/F), FORD GLORY PLAZA, 37 WING HONG STREET, CHEUNG SHA WAN, KOWLOON, HONG KONG

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့် လိပ်စာ -

(င) ဖွဲ့စည်းရာအရပ် -

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား CMP စနစ်ဖြင့် အထည်ချုပ်လုပ်ခြင်းလုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) မြေကွက်အမှတ် ၃၅/၉၊ ရန်ကုန်- မန္တလေးလမ်း၊ အင်းတကော်ရွာ၊ ပဲခူးမြို့နယ်၊ ပဲခူးတိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း ပမာဏ အမေရိကန်ဒေါ်လာ ၅.၁၈၉ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင်ခွင့်ပြုမိန့်ရရှိပြီး (၁) နှစ်အတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၅.၁၈၉ သန်း နှင့် ညီမျှသော မြန်မာကျပ်ငွေ

(ဋ) တည်ဆောက်မှုကာလ ၁၂ လ

(ဌ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့် သက်တမ်း ၃၀ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ရာခိုင်နှုန်းပြည့်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် စီးပွားရေး အဖွဲ့အစည်းအမည် HUNG KIU (MYANMAR) GARMENT MANUFACTURING LTD.

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

THE REPUBLIC OF THE UNION OF MYANMAR
MYANMAR INVESTMENT COMMISSION
Building No.(32), Nay Pyi Taw

Our ref : Ya Ka-1/Na-~~789~~ 798/2013(9547) Tel: 067- 406334, 406075
Date : 23 August 2013 Fax: 95-67-406333

Subject: Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing of Garments on CMP Basis" under the name of "Hung Kiu (Myanmar) Garment Manufacturing Limited".

Reference: Hung Kiu (Myanmar) Garment Manufacturing Limited Letter dated (7.3.2013).

1. The Myanmar Investment Commission, at its meeting (20/2013) held on (7-8-2013) had approved the proposal for investment in "Manufacturing of Garments on CMP Basis" under the name of Hung Kiu (Myanmar) Garment Manufacturing Limited submitted by Mr. Ng Hung Yau 90 % from Hong Kong and Ms. Lai Yin Yin 10 % from Viet Nam as a wholly foreign owned investment.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law and Chapter VIII, Rule 48 of the Foreign Investment Rules relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be initial 30 (Thirty) years and extendable 10 years two times period commencing from the date of signing of the Lease Agreement for land and building by mutual agreement between Daw Yone Shwin and Hung Kiu (Myanmar) Garment Manufacturing Limited. At the end of the Lease Agreement for land and building, Hung Kiu (Myanmar) Garment Manufacturing Limited shall transfer the leased land and building within 3 (three) months in good condition, ground damages having been refilled or repaired.

4. The annual rent for the land shall be US$ 98,318 (United States Dollar ninety-eight thousand, three hundred and eighteen only) for 30 years calculated at the rate of US$ 2.50 per square meter per year of the land measuring 39,368 square meter (9.73 acres).

5. In issuing this "Permit," the Commission has granted, the followings, exemptions and reliefs as per section 27(a)(h)(i) and (k) of the Republic of the Union of Myanmar Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

(a) As per section-27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial operation.

(b) As per section-27(h), exemption or relief from customs duty or other internal taxes or both on machineries, equipments, instruments, machinery components, spare parts and materials used in the business which are imported as they are actually required for used during the period of construction of business;

(c) As per section-27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section-27(k), exemption or relief from commercial tax on the goods produced for export.

6. Hung Kiu (Myanmar) Garment Manufacturing Limited shall have to sign the Land and Building Lease Agreement with Daw Yone Shwin. After signing such Agreement, (5) copies shall have to be forwarded to the Commission.

7. Hung Kiu (Myanmar) Garment Manufacturing Limited in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and

Memorandum and Articles of Association shall have to be forwarded to the Commission.

8. Hung Kiu (Myanmar) Garment Manufacturing Limited shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit" it shall become null and void.

9. Hung Kiu (Myanmar) Garment Manufacturing Limited has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

10. As per Chapter X, Rule 61 of the Foreign Investment Rules extension of construction period shall not be granted more than one expect it is due to unavoidable events such as natural disasters, instability, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

11. As per Chapter X, Rule 63 of the Foreign Investment Rules, if the investor cannot construct completely in time during the construction period or extension period, the Commission will have to terminate the permit issued to the investor and there is no refund for the expenses of the project.

12. The commercial date of operation shall be reported to the Commission.

13. Hung Kiu (Myanmar) Garment Manufacturing Limited shall endeavour to meet the targets for production and export stated in the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal in accordance with Chapter XI, section 24 and 25 of the Republic of the Union of Myanmar Foreign Investment Law and the investor has to follow the existing Labour Laws for the recruitment of staff and labour in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

15. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of the Republic of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XI, Rule 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under section-2(i) of the said Law, other than foreign currency.

16. Hung Kiu (Myanmar) Garment Manufacturing Limited brings in foreign capital defined under section-2(i) of the said Law, other than foreign currency in the manner stated in paragraph 15(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. Hung Kiu (Myanmar) Garment Manufacturing Limited has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XI, Rule 136 and for transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen or a citizen-owned business in the State and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule145 of the Foreign Investment Rules.

18. Hung Kiu (Myanmar) Garment Manufacturing Limited shall report to the Commission for any alteration in the physical and financial plan of the project. Cost over run, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. Hung Kiu (Myanmar) Garment Manufacturing Limited shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per comments made by Ministry of Environmental Conservation and Forestry in which to conduct Initial Environmental Examination (IEE) process and an

Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted, and to perform activities in accordance with this EMP and to abide by the environmental policy, Environmental Conservation Law and other environmental related rules and procedures.

20. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc., shall be made either out of the local sales in kyat currency and US$ or from export earning (CMP charges) of Hung Kiu (Myanmar) Garment Manufacturing Limited.

21. Hung Kiu (Myanmar) Garment Manufacturing Limited in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter XII, Rules 79 and 80 of the Foreign Investment Rules.

Win Shein

(Win Shein)

Chairman

Hung Kiu (Myanmar) Garment Manufacturing Limited

cc:
1. Office of the Union Government of the Republic of the Union of Myanmar
2. Office of the Bago Region Government
3. Ministry of National Planning and Economic Development
4. Ministry of Finance
5. Ministry of Commerce
6. Ministry of Industry
7. Ministry of Foreign Affairs
8. Ministry of Home Affairs
9. Ministry of Immigration and Population
10. Ministry of Labour, Employment and Social Security

11. Ministry of Environmental Conservation and Forestry
12. Ministry of Electric Power
13. Director General, Directorate of Investment and Company Administration
14. Chairman, CMP Enterprise Supervision Committee
15. Director General, Directorate of Human Settlement and Housing Development
16. Director General, Directorate of Industrial Supervision and Inspection
17. Director General, Customs Department
18. Director General, Internal Revenue Department
19. Managing Director, Myanma Foreign Trade Bank
20. Managing Director, Myanma Investment and Commercial Bank
21. Managing Director, Myanma Insurance
22. Managing Director, Myanma Electric Power Enterprise
23. Director General, Directorate of Trade
24. Director General, Immigration and National Registration Department
25. Director General, Directorate of Labour
26. Director General, Department of Environmental Conservation
27. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)